

Signing of Japanese ODA Loan Agreement with Cambodia: Contributing to a stable power supply in the metropolitan area through improvements to substations and the transmission and distribution system

On May 28, the Japan International Cooperation Agency (JICA) signed a loan agreement with the Government of the Kingdom of Cambodia in Phnom Penh, the capital city, to provide a Japanese ODA loan of up to 9.216 billion yen for the Phnom Penh City Transmission and Distribution System Expansion Project (Phase 2) (II).

The project will increase the number of substations and expand the transmission and distribution network in Phnom Penh to stabilize the power supply in the metropolitan region. The loan funds will be allocated to public works required to construct the substations and expand the transmission and distribution system, to equipment procurement, and to consulting services (basic design work, detailed design work, bidding assistance and construction supervision).

Accompanying stable economic growth in recent years, the demand for power has risen rapidly in Cambodia. Although the operation of large-scale power plants has advanced, increasing the amount of power produced, the capacity of the power transmission and distribution facilities in the Phnom Penh metropolitan area is inadequate, such that a stable supply of power cannot be provided. In addition, there is lack of system control, resulting in widespread effects during power outages, which require a long time for restoration.

Implementation of the project will alleviate the capacity inadequacy of substations, which hinder the power supply, enable a stable supply of power over a wide area, and enhance the reliability of the transmission system, particularly in Phnom Penh. These measures are expected to contribute to economic development in the area.

A Japanese ODA loan (signed in March 2015 for 3.816 billion yen) was provided for stage I of this project, and this loan is for stage II.

1. Terms and Amount of Loan

Project title	Amount (million yen)	Annual interest rate (%)		Repayment period (years)	Grace period (years)	Procurement
		Project	Consulting services			
Phnom Penh City Transmission and Distribution System Expansion Project (Phase 2) (II)	9,216	0.01	0.01	40	10	General, untied

2. Executing Agency

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3. Planned Implementation Schedule

(1) Completion of project: June 2021 – when the facilities are put into service

(2) Issuing of letters of invitation for consulting services (including detailed design work): Consultants have already been hired

(3) Tender announcement of initial procurement package for international competitive bidding on project construction:

Substation Package

Release date: May 2018